

**IC 5-22-20****Chapter 20. Modification and Termination of Contracts****IC 5-22-20-1****Policies or rules for inclusion of clauses or contract provisions**

Sec. 1. A governmental body may establish policies or adopt rules permitting or requiring any of the following:

- (1) The inclusion of clauses providing for adjustments in prices or time of performance.
- (2) The inclusion of contract provisions dealing with either of the following:
  - (A) The unilateral right of the governmental body to order, in writing either of the following:
    - (i) Changes in the work within the scope of the contract.
    - (ii) Temporary stopping of the work or delaying performance.
  - (B) Variations occurring between estimated quantities of work in a contract and actual quantities.

*As added by P.L.49-1997, SEC.1.*

**IC 5-22-20-2****Adjustments in price; computation**

Sec. 2. Adjustments in price under clauses established under section 1 of this chapter must be computed in one (1) or more of the following ways:

- (1) By agreement on a fixed price adjustment before the beginning of the pertinent performance or as soon after the beginning of the performance as practicable.
- (2) By unit prices specified in the contract or subsequently agreed upon.
- (3) By the costs attributable to the events or situations under such clauses with adjustment of profit or fee, all as specified in the contract or subsequently agreed upon.
- (4) In such other manner as the contracting parties may mutually agree.
- (5) In the absence of agreements by the parties, by a unilateral determination by the governmental body of the costs attributable to the events or situations under such clauses, with adjustment of profit or fee, all as computed by the governmental body in accordance with applicable rules adopted by the governmental body.

*As added by P.L.49-1997, SEC.1.*